

*Oral Questions*

**Hon. Herb Gray (President of the Treasury Board):** Mr. Speaker, while my hon. friend was speaking to fundraising dinners he may very well have, during that period, missed the fact that I answered questions posed by some of his colleagues to confirm that the Comptroller General—

**Mr. Crosbie:** Come on you turkey, answer.

**Mr. Gray:**—already has under way a major study into the issues raised by the Auditor General and his predecessors about successive Public Accounts, and has also asked for the assistance of the professional institute of the accounting profession in Canada with a view to coming up with recommendations aimed at resolving differences of opinion between himself and the Auditor General as to the proper form of the Public Accounts of Canada.

## SIZE OF DEFICIT—REQUEST FOR NEW FINANCIAL STATEMENT

**Mr. Brian Mulroney (Leader of the Opposition):** Mr. Speaker, this Government is belly-up. That is what the Auditor General was saying.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** All we get are platitudes, and what you have done has placed a mortgage on the backs of Canadian youth that they cannot live long enough to pay off. That is what the spending of this Government has done.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** The Minister of Energy thinks that it is funny. The way that he counts, what is funny is the fact that he can even get to his office in the morning. That is the funny thing about it.

**Mr. Pinard:** Question.

**Mr. Mulroney:** In the 1980 Throne Speech, Mr. Speaker—  
[*Translation*]

Ah, the clowns from Quebec! Patience! Patience!  
[*English*]

In the 1980 Throne Speech the Government promised, “—to reduce the federal deficit in a planned and orderly manner”. Since that time the net debt has skyrocketed from \$81 billion to \$150 billion. If you add the \$20 billion that the Auditor General said that you secreted away, it is an increase of almost 100 per cent in three years in our debt.

**Mr. Crosbie:** Shame.

**Mr. Mulroney:** These are enormous discrepancies between the Government's figures and those of the Auditor General, which are causing profound concern in investment communities around the world. Will the Minister tell us when the Government proposes to bring forward a new and comprehensive financial statement which this country now requires on an absolutely urgent basis?

● (1420)

**Hon. Herb Gray (President of the Treasury Board):** Mr. Speaker, the Public Accounts of Canada are prepared for the purpose of reporting to Parliament on compliance with legislation adopted by Parliament. The Auditor General feels that they should be prepared on a different basis and, because of this difference of opinion, in response to a request by the Public Accounts Committee the Comptroller General of Canada has a major study into these issues under way.

In fact, on November 24 the Comptroller General appeared before the Public Accounts Committee and presented a statement to the Public Accounts Committee on the work he is doing to attempt to resolve these differences in an effort to reassure people on this very issue.

So I can say to my hon. friend that while he may have been engaged in other activities he may have missed the questions posed by his colleagues to which I replied in the House, confirming that work is under way to try to resolve these issues at the request and according to the timetable set by the Public Accounts Committee itself.

The statements in question do present a fair and balanced picture of the financial position of the Government, and in due course the Minister of Finance will provide additional information.

**Mr. Mulroney:** Mr. Speaker, no wonder this country is broke. There is a \$22.5 billion discrepancy, and he calls it a difference of opinion. This is going to be good; now he is being coached by the Minister of Finance. You have got enough trouble! Twenty-two billion dollars would pay the entire medicare bill for all Canadians for an entire year. That is not a difference of opinion.

## IMPORTANCE OF FINANCIAL INFORMATION

**Mr. Brian Mulroney (Leader of the Opposition):** Mr. Speaker, in regard to the discrepancy, the Auditor General states:

Interest rates are being established, the extent of tax revenues are being estimated, decisions on the deployment of resources both in the public and private sector are being contemplated. Each is dependent, to an important degree, on the credibility and completeness of the financial information available.

The Minister recognizes the seriousness of the implications in what the Auditor General is saying, that all of this depends on the completeness and credibility of the financial information provided.

**Mr. Chrétien:** Order.

**Mr. Mulroney:** Will the Minister tell the House when the Government will come forward with a new and comprehensive financial statement, to make sure that Canadians and the international investment community know exactly what kind of bad shape we are in?

**Hon. Herb Gray (President of the Treasury Board):** Mr. Speaker, the Public Accounts of Canada must be tabled each